

REFERENCE TITLE: AHCCCS; DES; fraud reduction

State of Arizona
House of Representatives
Forty-ninth Legislature
First Regular Session
2009

HB 2238

Introduced by

Representatives Seel, Gowan, Kavanagh, Stevens, Weiers JP, Senator Pearce:
Representatives Antenori, Barto, Burges, Crump, Jones, Lesko, Montenegro,
Quelland, Senators Allen S, Gorman, Gould, Gray L, Harper, Melvin,
Verschoor

AN ACT

AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2903.08; AMENDING TITLE 41, CHAPTER 14, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1954.01; RELATING TO FRAUD REDUCTION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 36, chapter 29, article 1, Arizona Revised Statutes,
3 is amended by adding section 36-2903.08, to read:

4 **36-2903.08. Fraud reduction measures**

5 A. SUBJECT TO THE REQUIREMENTS OF SUBSECTIONS C AND D, THE
6 ADMINISTRATION SHALL ENTER INTO A CONTRACT WITH A PRIVATE ENTITY FOR THE
7 PROVISION OF FRAUD REDUCTION TECHNOLOGY THAT HAS THE ABILITY TO:

8 1. IDENTIFY CASES OF MULTIPLE USERS OF SOCIAL SECURITY NUMBERS AND
9 MULTIPLE ADDRESSES.

10 2. REVIEW PROPERTY AND OTHER OWNERSHIP RECORDS IN THIS STATE AND
11 NATIONALLY.

12 3. USE OTHER SCREENING AND DATABASE COLLECTION MECHANISMS AS DIRECTED
13 BY THE ADMINISTRATION.

14 B. THE ADMINISTRATION SHALL USE INFORMATION COLLECTED PURSUANT TO THIS
15 SECTION TO REVIEW THE CASE FILES OF APPLICANTS TO DETERMINE ELIGIBILITY AND
16 TO VERIFY THAT ENROLLED MEMBERS MEET THE ELIGIBILITY REQUIREMENTS OF THIS
17 CHAPTER.

18 C. BEFORE ENTERING INTO A CONTRACT, THE ADMINISTRATION SHALL REQUEST
19 PILOT TESTING OF THE FRAUD REDUCTION TECHNOLOGY TO ASSESS THE EFFECTIVENESS
20 OF THE FRAUD REDUCTION TECHNOLOGY AND TO ESTIMATE POTENTIAL COST SAVINGS
21 GENERATED BY THE FRAUD REDUCTION TECHNOLOGY BASED ON REDUCTIONS IN FRAUDULENT
22 ACTIVITY AND ENHANCED ELIGIBILITY VERIFICATION.

23 D. THE CONTRACT WITH A PRIVATE ENTITY FOR THE PROVISION OF FRAUD
24 REDUCTION TECHNOLOGY SHALL REQUIRE THAT IT BE FUNDED FROM ANY SAVINGS
25 GENERATED BY THE FRAUD REDUCTION TECHNOLOGY.

26 Sec. 2. Title 41, chapter 14, article 1, Arizona Revised Statutes, is
27 amended by adding section 41-1954.01, to read:

28 **41-1954.01. Fraud reduction measures**

29 A. SUBJECT TO THE REQUIREMENTS OF SUBSECTIONS C AND D, THE DEPARTMENT
30 OF ECONOMIC SECURITY SHALL ENTER INTO A CONTRACT WITH A PRIVATE ENTITY FOR
31 THE PROVISION OF FRAUD REDUCTION TECHNOLOGY THAT HAS THE ABILITY TO:

32 1. IDENTIFY CASES OF MULTIPLE USERS OF SOCIAL SECURITY NUMBERS AND
33 MULTIPLE ADDRESSES.

34 2. REVIEW PROPERTY AND OTHER OWNERSHIP RECORDS IN THIS STATE AND
35 NATIONALLY.

36 3. USE OTHER SCREENING AND DATABASE COLLECTION MECHANISMS AS DIRECTED
37 BY THE DEPARTMENT.

38 B. THE DEPARTMENT SHALL USE INFORMATION COLLECTED PURSUANT TO THIS
39 SECTION TO REVIEW THE CASE FILES OF APPLICANTS TO DETERMINE ELIGIBILITY FOR
40 SERVICES PROVIDED BY THE DEPARTMENT AND TO VERIFY THAT PERSONS WHO ARE
41 RECEIVING SERVICES MEET THE DEPARTMENT'S ELIGIBILITY REQUIREMENTS.

42 C. BEFORE ENTERING INTO A CONTRACT, THE DEPARTMENT SHALL REQUEST PILOT
43 TESTING OF THE FRAUD REDUCTION TECHNOLOGY TO ASSESS THE EFFECTIVENESS OF THE
44 FRAUD REDUCTION TECHNOLOGY AND TO ESTIMATE POTENTIAL COST SAVINGS GENERATED

1 BY THE FRAUD REDUCTION TECHNOLOGY BASED ON REDUCTIONS IN FRAUDULENT ACTIVITY
2 AND ENHANCED ELIGIBILITY VERIFICATION.

3 D. THE CONTRACT WITH A PRIVATE ENTITY FOR THE PROVISION OF FRAUD
4 REDUCTION TECHNOLOGY SHALL REQUIRE THAT IT BE FUNDED FROM ANY SAVINGS
5 GENERATED BY THE FRAUD REDUCTION TECHNOLOGY.